
In Re:
Chris John Fandel and Tammy Louise Fandel,
Debtors,

Case No. 03-61367
Chapter 13 Case

**OBJECTION BY GREAT RIVER FEDERAL CREDIT UNION
TO CONFIRMATION OF CHAPTER 13 PLAN AND MOTION TO DISMISS**

TO: and other entities specified in Local Rule 9013-3.

1. Great River Federal Credit Union FKA St Cloud T & L Credit Union, (the "Respondent") is the holder of a claim in the above case, and objects to confirmation of the proposed Chapter 13 Plan.
2. The petition commencing this Chapter 13 case was filed on October 29, 2003. The Debtor has filed their second Post-confirmation Modified Chapter 13 Plan which is now scheduled for confirmation hearing on October 26, 2004 at 10:00 AM.
3. This objection and motion to dismiss arise under 11 U.S.C. §§1322, 1325 and 1307(c) and Fed. R. Bankr. P. 3015, and is filed under Fed. R. Bankr. P. 9014 and Local Rules 3015-3, 9013-2, 9013-3. Respondent objects to confirmation of the proposed Plan, requests an order denying confirmation of the proposed Plan, disbursing plan funds, and dismissing with a bar to refiling.
4. Respondent is the holder of a claim, and is thus a party in interest.

WHEREFORE, Great River Federal Credit Union FKA St Cloud T & L Credit Union requests the court grant the relief requested and such other relief as may be just and equitable.

Dated: October 11, 2004

STEWART, ZLIMEN & JUNGERS, LTD.
/s/ Linda Jeanne Jungers
Linda Jeanne Jungers, Atty ID #5303X
Attorneys for Movant
430 Oak Grove Street #200
Minneapolis, MN 55403
612-870-4100

This is a communication from a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:
Chris John Fandel and Tammy Louise Fandel,
Debtors,

Case No. 03-61367
Chapter 13 Case

**MEMORANDUM IN SUPPORT OF
OBJECTION AND MOTION TO DISMISS**

This Memorandum is submitted in support of the objection to confirmation and motion to dismiss filed on behalf of Great River Federal Credit Union FKA St Cloud T & L Credit Union

1. The balance outstanding on the 2 loan accounts owed to Respondent by is \$7,922.10, with \$6,678.13 of that amount guaranteed by Robert Champa.
2. Respondent also holds a perfected security interest in a 1993 Mercury Villager LS vehicle (the collateral). The collateral is in the possession of the Debtor herein. Respondent's Contracts provide for interest on the balance at the rate of 8.000 percent per year on the note and 16.00 percent per year on the visa account. Respondent's Contracts also provide for cross-collateralization so that the vehicle serves as collateral on both accounts.
3. Respondent filed its proofs of claim and no objection has been made to the filed claims. Attached as Exhibit A is a copy of the first page of the two filed claims.
4. Debtors' first plan was confirmed on January 27, 2004. Debtors missed their first plan payment due in November 2003 but then made their plan payments for the next 5 months from December 2003 to and including April 2004. The May 2004 plan payment was not made. Debtors filed a Post-confirmation Modified Plan on May 26, 2004 and obtained confirmation of that plan on June 22, 2004. The stated reason for the May 26 plan was Mrs. Fandel's surgery and being off work for 6 weeks, resulting in lost income which caused 2 months of missed plan payments. The May 26 plan proposed to forgive all arrears as of June 29, 2004 and to re-commence their plan

payments on June 29, 2004. Debtors made 1 payment under the May 26 plan on July 7, 2004.

See Exhibit B for the list of payments made by Debtors according to the Trustee's records.

5. The stated reason for the October 7 plan is at least partly the same for the May 26 plan: Mrs. Fandel is having surgery and will be off work for 2 months. Another stated reason is the Debtors have experienced increased expenses. The October 7 plan again proposes to forgive all arrears as of November 29, 2004 and to re-commence payments on November 29.
6. The October 7 plan proposes that Debtor: (1) reduce the plan payments from \$524.00 per month to \$355.00 per month, (2) keep possession of the collateral, (3) allow Respondent to retain its lien on the collateral, and (4) pay Respondent on its claim through the Trustee payments.
7. Respondent has received sporadic payments. See attached Exhibit C for the payments disbursed by the Trustee to Respondent to date.
8. As support for the reduction in the monthly payment amount and the total overall payments to be made, Debtors filed an amended Schedule J to show the increased expenses. It is obvious the increased expenses are due entirely to the purchase of another vehicle apparently on an installment contract, with \$550 monthly payments.
9. The October 7 plan continues to include Respondent's claim as an "Other Secured Claim [§1325(a)(5)]" and values Respondent's secured claim at \$8045.00. An amended Schedule D filed and served with the October 7 plan states the collateral is now worth \$2231.00. At the time of filing, the published NADA retail value of the collateral was \$4250.00. See attached Exhibit D, NADA page from Sept-Dec 2003. There was no mileage deduction for 116,000 miles on a 1993 Class II vehicle.
10. The original purpose for treating Respondent's claim as fully secured in Term 7 was to protect the co-signer as well as to cover the collateral value. This is now stated in Term 12.
11. The October 7 Plan proposes to re-calculate the entire stream of payments on the original claim of \$8045.00 including payments already made to Respondent. The Plan proposes a reduction in the

future monthly payment to \$387.99 with payments beginning in month 1 which is likely to be December 2004 given there are no payments until November 29. Interest is reduced from 8.00 percent to 6.50 percent per year for total payments of \$8535.74

12. The Plan is objected to on the following grounds

- a. Good Faith. That the Plan has not been proposed in good faith in violation of §1325(a)(3).

Under §1325(a)(3), the court cannot confirm a Chapter 13 plan that is not filed in good faith. In the 8th Circuit, good faith is determined by considering the totality of circumstances. In re Mattson, 241 B.R. 629 (Bkrtcy.D. Minn. 1999). In re LeMaire, 898 F.2d 1346 (8th Cir.1990). See also, In re Estus, 695 F.2d 311 (8th Cir.1982) and Education Assistance Corp. v. Zellner, 827 F.2d 1222 (8th Cir.1987).

Various factors are considered in determining whether a plan is proposed in good faith: (1) whether Debtor accurately stated his expenses and debts; (2) whether Debtor made a fraudulent misrepresentation to the Bankruptcy Court; and (3) whether Debtor unfairly manipulated the Bankruptcy Code. Also of interest to the Court is the type of debt sought to be discharged, whether such debt would be dischargeable under Chapter 7 and the debtor's motivation and sincerity in seeking Chapter 13 relief. Bayer v. Hill, 210 B.R. 794, 796 (8th Cir. BAP August 12, 1997). In re Mattson, 241 B.R. 629, 635-637 (Bkrtcy.D. Minn. 1999). In re LeMaire, 898 F.2d 1346, 1349 (8th Cir.1990). "The bottom line for most courts, even those outside of this circuit, is whether the debtor is attempting to thwart his creditors or is making an honest attempt to repay them." Mattson, supra, page 637.

Debtors have failed to disclose the post-petition debt and asset purchased with the post-petition financing. Debtors have deliberately and willfully made it impossible for them to submit the necessary earnings to the Trustee for the execution of a confirmed plan. Furthermore, the additional vehicle is unnecessary because one of the debtors is not even working. Mrs. Fandel has been out of work for health reasons since May 2004 when the first post-confirmation plan was filed.

Debtors have manipulated the Bankruptcy Code to obtain protection from creditors yet have

failed to make any appreciable progress on their plan in the 12 months since filing. Under the original confirmed plan they would have paid \$5764 by the end of September 2004. Instead they have paid only \$3144. The continuous use of post-confirmation modifications to forgive the most recent missed plan payments is another indication of their manipulation of the Bankruptcy Code.

The amended Schedule J shows reductions in such expenses as clothing, transportation, recreation, charitable contributions, personal toiletries and school lunches, totalling \$381. The reductions are made in an effort to off set some of the damage caused by the new debt. This raises questions concerning the accuracy of the Debtors' original Schedule J and whether Debtors have ever satisfied the good faith requirement of §1325(a)(3).

Allocating plan payments and disposable income toward loans and maintenance costs of non-essential assets while also proposing to defer, reduce, or even deny a return to other creditors, raises serious good faith questions. "In such a case, the Debtor proposes to build up equity in assets which the legislature has not found essential to a fresh start; more crucially, the Debtor proposes to correspondingly defer, reduce, or even deny a return to other creditors on their prior claims, by diverting estate resources to nonessential purposes... Such a plan grants a windfall to the Debtor, enriching him at creditors' expense to the extent of the equity accumulated post-petition." In re Cordes, 147 B.R. 498, 505 (Bkrtcy.D.Minn. 1992).

Plans with less than 100% payment on all claims where such impact arises because the debtor and debtor's family maintain a high standard of living is further indicative of a lack of good faith and "while the Court readily concedes that the function of the provisions under Chapter 13 of the act is not designed to condemn a Debtor to a state of poverty, the Court also recognizes that the act was not designed to thrust a Debtor into a state of luxury to the detriment of his creditors." In re Jenkins, 20 B.R. 642, 643 (Ark. 1982). The burden is on the Chapter 13 Debtor to establish good faith in the filing of a debt adjustment plan once that good faith is questioned. In re Belt, 106 B.R. 553 (Bkrtcy.N.D.Ind. 1989), §1325(a)(3).

- b. Present Value. That, in violation of §1325(a)(5) (B)(ii), the total payments proposed do not provide Respondent with the present value of Respondent's secured claim there being no calculation for an appropriate interest rate based on the risk factors in this case.

The Code clearly provides that secured claims that are paid through deferred time payments must be paid at their present value in accordance with §1325(a)(5)(B)(ii). The plan proposed does not provide for an appropriate risk factor adjustment over the prime rate as required by Till.

The total of the claims held by Respondent at the commencement of this case was \$8879.96. The NADA retail value of the collateral was \$4250, leaving the cosigned portion at \$4629.96. The October 7 Plan does **not** provide for the appropriate interest or present value computation although it does provide for deferred periodic payments on Respondent's secured claim.

The Plan also contains an error in the monthly plan payment amount to be paid to Respondent. According to both the Plan and the amended Schedule J, the monthly plan payment to the Trustee is \$355 which leaves \$319.50 for Respondent after deducting the Trustee's 10 % fee.

The prime rate on October 7, 2004 was 4.75%. See Exhibit E. Respondent submits the appropriate risk factor is 6% in this case for a total of 10.75%. The following facts support the risk factor requested by Respondent:

1. Debtors have failed to make 4 plan payments within the first 12 months of this case.
2. Debtors have stated an inability to make any plan payments until November 29, 2004.
3. Mrs. Fandel is not working and has been having serious medical problems since May 2004 which have affected her ability to work.
4. Debtors continue to incur new debt post-petition.
5. Respondent's collateral is depreciating in value.
6. Respondent has received no payments since August 2004 and will not be receiving any payments until December 2004.

Based on an interest rate of 10.75% for the secured portion of the claims, and the actual amount of the monthly payments proposed in the Plan, Respondent would be entitled to total payments of \$4829.08 over the 23 months proposed to compensate Respondent for the deferral in payment of the present value of the secured claim. This calculation includes the payments made to Respondent to date.

Based on the contract interest rate of 8.00% to protect the co-signer, and beginning payments on the cosigned part of the claims after the secured portion is paid in full, Respondent would be entitled to payments of \$5733.79 over the 41 months needed to compensate Respondent for the deferral in payment. See attached Exhibit F for the amortization schedules.

To maintain the current risk factor level and to assist Debtors in submitting the earnings necessary to execute on the October 7 plan, Respondent requests the Court require the Debtor to make plan payments through wage order deduction on Mr. Fandel's paychecks beginning with the first paycheck in November 2004 so that the entire \$355 is paid to the Trustee by November 29.

Failure to provide for appropriate present value compensation on deferred payments is grounds for denial of confirmation. See, In re Green, 151 B.R. 501 (Bkrtcy.D. Minn. 1993); Resolution Trust Corp. v. Adams, 142 B.R. 331 (E.D.Mo. 1991); and Landmark Financial Services v. Hall, 918 F.2d 1150 (4th Cir.1990).

- c. Modification of an Already Confirmed Plan. Section 1329 establishes the permitted post-confirmation modifications that can be made in Chapter 13 cases.

Modifying a confirmed plan to reduce secured claim values caused by Debtor's use of collateral since the filing of the case, reducing interest rates, and "forgiving" prior confirmed plan accumulated payment arrears are not included in the list of permissible modifications or reasons for modifications. Furthermore, 11 U.S.C. §1327(a) states clearly the confirmed plan is binding on the Debtor and Creditor.

Debtor now seeks to undo the binding effect of plan confirmation primarily because Debtors have incurred new post-petition debt. Debtors should be discouraged from such post-petition and post-confirmation conduct when it erodes their ability to make the plan payments as required by a confirmed plan.

§1306(a)(2) states that all earnings of the Debtor from services performed post-petition are property of the estate. Debtor has been using property of the estate for purposes other than as allowed per their original filed Schedule J and the confirmed plan.

§1322(a) applies to post-confirmation modified plans. All or such portion of future earnings of the Debtor as may be necessary for execution of the plan must be submitted to the Trustee. Under §1322(a)(1) any increases in postconfirmation income is captured and is included in a modified plan. In re Profit, 269 B.R. 51, 57 (Bkrcty. D. Nev. 2001).

If the Debtor has failed to commit the necessary earnings to execute the first confirmed plan, this goes directly to the issue of feasibility and good faith. §1325(a)(3) also applies to post-confirmation plans. The unexplained or "deliberate" failure of the Debtor to make payments to the Trustee for the execution of the confirmed plan is a lack of good faith.

- d. Dismissal of Case. On request of a party in interest, the court may dismiss a case for cause, under Chapter 13. 11 U.S.C. §1307(c).

The Debtor has failed to propose a confirmable plan. Such failure causes unreasonable delay prejudicial to all creditors. Debtor has the exclusive right and obligation to propose a Chapter 13 plan. 11 U.S.C. §1321. The Debtor thus has the burden of proposing a plan that is fair and that complies with the requirements of the Bankruptcy Code. Debtor has failed to timely file a plan that meets those standards. Such constitutes cause as set out in §1307 (c) (1) and (3).

This objection provides the Debtor with the necessary information as to what modifications must be made to the proposed plan to obtain confirmation. If Debtor has failed to file a pre-confirmation modified plan to address the objections listed herein, Respondent asks not only for dismissal but also that the Debtor be barred from re-filing another Chapter 13 case for a period of 90 days and that the Trustee be ordered to disburse any funds in accordance with the last confirmed plan.

- e. Allowance of Fees and Costs.

Respondent requests the court allow its attorneys fees to Respondent with such allowance to be added to Respondent's claims.

The Contract signed by Debtor requires Debtor to pay any reasonable attorney fees and costs incurred by the Respondent in protecting its rights and exercising its remedies in the event of a default.

Respondent is the holder of a secured and a cosigned claim. If Debtor wants to protect the cosigner, then the Plan has to be able to pay all debt arising under the Contract. 11 U.S.C §506 (b) provides that the holder of a secured claim may be allowed reasonable fees, costs or charges provided for under the agreement under which such claim arose, to the extent that the value of the property securing the claim exceeds the amount of the claim.

SUMMARY

Based on the foregoing, the plan proposed by Debtor should be denied confirmation and the case should be dismissed and Debtors barred from refiling for sufficient time for Respondent to repossess its collateral and pursue payment from the guarantor.

Dated: October 11, 2004

STEWART, ZLIMEN & JUNGERS, LTD.

/e/ Linda Jeanne Jungers

Linda Jeanne Jungers, Atty ID #5303X

Attorneys for Movant

430 Oak Grove Street #200

Minneapolis, MN 55403

612-870-4100

Name of Debtor: Chris John Fandel
Tammy Louise Fandel

Case Number: 03-81387

AMENDED

This is a communication from a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.

Name of Creditor and address where NOTICES should be sent to:
Great River Federal Credit Union FKA St Cloud T & L Credit
Union
1532 West St. Germain Street
PO Box 1208
Saint Cloud, MN 56302-1208o Check box if you are aware that
anyone else has filed a proof of
claim relating to your claim. Attach
copy of statement giving
particulars.

Name and address where PAYMENTS should be sent

Great River Federal Credit Union
1532 West St. Germain Street
PO Box 1208
Saint Cloud, MN 56302-1208o Check box if you have never
received any notices from the
bankruptcy court in this caseo Check box if the address differs
from the address on the envelope
sent to you by the court.

Telephone number: 888-211-5393

THIS SPACE IS FOR
COURT USE ONLYAccount or other number by which credi-
tor identifies debtor:

25979-1

Check here if this claim

o replaces
o amends

a previously filed claim, dated:

1. Basis for Claim

- ☐ Goods sold
- ☐ Services performed
- ☒ Money loaned
- ☐ Personal injury/wrongful death
- ☐ Taxes
- ☐ Other

o Retiree benefits as defined in 11 U.S.C. §1114(a)
o Wages, salaries, and compensation (fill out below)

Your SS #:

Unpaid compensation for services performed
from _____ to _____

2. Date debt was incurred: 7/16/99 3. If court judgment, date obtained: None

4. Total Amount of Claim at Time Case Filed:

\$7,922.10, plus interest as per the plan (SECURED)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

o Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.

o Check this box if your claim is secured by collateral (including a
right of setoff).

Brief description of Collateral:

o Real Estate o Motor Vehicle o Other Co-signerValue of Collateral: **\$8,045.00**Amount of arrearage and other charges at time case filed included in
secured claim, **\$562.56**

1993 Mercury Villager vehicle

6. Unsecured Priority Claim

o Check this box if you have an unsecured priority claim

Amount entitled to priority \$ _____

Specify the priority of the claim.

- o Wages, salaries, or commissions (up to \$4,300),* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier--11 U.S.C. § 507(a)(3)
- o Contributions to an employee benefit plan--11 U.S.C. § 507(a)(4)
- o Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use--11 U.S.C. § 507(a)(6)
- o Alimony, maintenance, or support owed to a spouse, former spouse, or child--11 U.S.C. § 507(a)(7)
- o Taxes or penalties of governmental units--11 U.S.C. § 507(a)(8)
- o Other--Specify applicable paragraph of 11 U.S.C. § 507(a)(_____)

*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS.

If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. Date-Stamped Copy: To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

THIS SPACE IS FOR
COURT USE ONLY

Date: December 31, 2003

Sign and print the name and title, if any, of the creditor or other
person authorized to file this claim (attach copy of power of attorney,
if any):

/s/ Ellen Cha

Attorney ID #315217 Attorney Phone No. 1-812-970-4100

STEWART, ZLIMEN & JUNGERS, Attorneys for Creditor

EXHIBIT

A

Name of Debtor: **Chris John Fandel**
Tammy Louise FandelCase Number: **03-61367**.

This is a communication from a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.

Name of Creditor and address where NOTICES should be sent to:
Great River Federal Credit Union FKA St Cloud T & L Credit Union
1532 West St. Germain Street
PO Box 1208
Saint Cloud, MN 56302-1208

☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy or statement giving particulars.

Name and address where PAYMENTS should be sent

Great River Federal Credit Union
1532 West St. Germain Street
PO Box 1208
Saint Cloud, MN 56302-1208

☐ Check box if you have never received any notices from the bankruptcy court in this case

☐ Check box if the address differs from the address on the envelope sent to you by the court.

Telephone number: 888-211-5393

THIS SPACE IS FOR
COURT USE ONLY

Account or other number by which creditor identifies debtor:

25979-LOC

Check here if this claim

☐ replaces
☐ amends

a previously filed claim, dated:

1. Basis for Claim

- ☐ Goods sold
☐ Services performed
☒ Money loaned
☐ Personal injury/wrongful death
☐ Taxes
☐ Other

☐ Retiree benefits as defined in 11 U.S.C. §1114(a)
☐ Wages, salaries, and compensation (fill out below)
Your SS #: _____

Unpaid compensation for services performed
from _____ to _____2. Date debt was incurred: **10/30/93**3. If court judgment, date obtained: **None**

4. Total Amount of Claim at Time Case Filed:

\$957.86, plus interest as per the plan (SECURED)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.

☒ Check this box if your claim is secured by collateral (including a right of setoff).

Brief description of Collateral:

☒ Real Estate ☒ Motor Vehicle ☐ Other _____Value of Collateral: **\$8,045.00**Amount of arrearage and other charges at time case filed included in secured claim, **\$140.00****1993 Mercury Villager vehicle**

6. Unsecured Priority Claim

☐ Check this box if you have an unsecured priority claim

Amount entitled to priority \$ _____

Specify the priority of the claim.

- ☐ Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier—11 U.S.C. § 507(a)(3)
☐ Contributions to an employee benefit plan—11 U.S.C. § 507(a)(4)
☐ Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use—11 U.S.C. § 507(a)(5)
☐ Alimony, maintenance, or support owed to a spouse, former spouse, or child—11 U.S.C. § 507(a)(7)
☐ Taxes or penalties of governmental units—11 U.S.C. § 507(a)(8)
☐ Other—Specify applicable paragraph of 11 U.S.C. § 507(a)(____)

*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. Date-Stamped Copy: To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

THIS SPACE IS FOR
COURT USE ONLY

Date: December 31, 2003

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):

/s/ Ellen Cha
Attorney ID #315217 Attorney Phone No. 1-812-870-4100
STEWART, ZLIMEN & JUNGERS, Attorneys for Creditor

Receipts/Refunds For Debtor FANDEL, CHRIS - Case # 0361367

Date	Period	Transaction Type	Source	Check/NO#	Receipt	Refund	Batch
7/7/2004	2004 7	ROBERT CHAMPA	PC	13828	524.00	0.00	00000831
4/12/2004	2004 4	Receipt	PC	5006	524.00	0.00	00000720
3/15/2004	2004 3	Receipt	PC	1907	524.00	0.00	00000674
2/9/2004	2004 2	Receipt	PC	1718	524.00	0.00	00000619
1/9/2004	2004 1	Receipt	PC	1689	524.00	0.00	00000574
12/8/2003	2003 12	Receipt	PC	1642	524.00	0.00	00000530

	# Transactions	Amount
Cost Receipts	6	3,144.00
NSF Backout	0	0.00
No Cost Receipts	0	0.00
NSF No Cost Backout	0	0.00
Refunds To Debtor	0	0.00
Transfers In	0	0.00
Transfers Out	0	0.00
Net Receipts	6	3,144.00

EXHIBIT
B

Disbursements For Debtor FANDEL, CHRIS - Case # 0361367

Date	Proc Period	Transaction	Check#	Trans Total	Principal Amount	Interest Portion	Clear	Comp	Expense	Name	Addr1	Addr2	City	State
03/25/2004	2004 3	System Disbursement	030926	270.00	270.00	0.00	3/31/2004	27.00	0.00	GREAT RIVER FEDERAL CREDIT UNION	1532 WEST ST GERMAIN STREET	PO BOX 1208	ST CLOUD	MN 5630
04/26/2004	2004 4	System Disbursement	031676	476.36	476.36	0.00	5/3/2004	47.64	0.00	GREAT RIVER FEDERAL CREDIT UNION	1532 WEST ST GERMAIN STREET	PO BOX 1208	ST CLOUD	MN 5630
05/25/2004	2004 5	System Disbursement	032434	476.36	476.36	0.00	6/1/2004	47.64	0.00	GREAT RIVER FEDERAL CREDIT UNION	1532 WEST ST GERMAIN STREET	PO BOX 1208	ST CLOUD	MN 5630
08/26/2004	2004 8	System Disbursement	034640	476.36	476.36	0.00		47.64	0.00	GREAT RIVER FEDERAL CREDIT UNION	1532 WEST ST GERMAIN STREET	PO BOX 1208	ST CLOUD	MN 5630
TOTALS				1,699.08	1,699.08	0.00								

EXHIBIT
C

70 MERCURY

Trade-In	BODY TYPE	Model No.	M.S.R.P.	Weight	Loan	Retail
950	Pickup LX	UF11	7895	2650	875	2025
1000	Pickup LX Long Bed	UF21	8095	2710	900	2100
1400	Pickup Cab Plus LX	UF31	8995	2770	1275	2550
1400	Pickup (4WD)	UF41	9399	3190	1275	2550
1450	Pickup Long Bed (4WD)	UF51	9799	3225	1325	2600
1850	Pickup Cab Plus (4WD)	UF61	10799	3315	1675	3050
1450	Pickup LX (4WD)	UF41	11499	3190	1325	2600
1500	Pickup LX Long Bed (4WD)	UF51	11899	3225	1350	2650
1900	Pickup Cab Plus LX (4WD)	UF61	12449	3315	1725	3100

MAZDA

1986 B2000 PICKUP

800	Pickup	UF11	\$5995	2650	725	1875
850	Pickup Long Bed	UF21	6195	2710	775	1925
1225	Pickup Cab Plus	UF31	6895		1125	2350
825	Pickup LX	UF11	6995	2650	750	1900
875	Pickup LX Long Bed	UF21	7195	2710	800	1950
1250	Pickup Cab Plus LX	UF31	7895		1125	2375

MAZDA

1984 B2000 PICKUP

250	Sundowner	UC12	\$5795	2525	225	1200
300	Sundowner Long Bed	UC22	5995	2590	275	1275
300	Sundowner Sport	UC12	6595		275	1275
350	Sundowner Sport Long Bed	UC22	6795		325	1350

Deduct 50% of Trade-In Value for Diesel Engine.

MERCURY

MERCURY

1995 VILLAGER-V6

2850	Van GS	V14	\$18455		2675	4325
3300	Wagon GS	V11	19045	3870	2975	4850
3900	Wagon LS	V11	23825	3870	3525	5525
4000	Wagon Nautica	V11	25305	4015	3600	5625

MERCURY

1994 VILLAGER

2725	Wagon GS	V11	\$18375	4015	2475	4000
3275	Wagon LS	V11	23155		2950	4650
3325	Wagon Nautica	V11	24635		3000	4700

MERCURY

1993 VILLAGER

2450	Wagon GS	V11	\$16504	4047	2225	3700
2950	Wagon LS	V11	21798		2675	4250

MITSUBISHI

MITSUBISHI

1995 MONTERO-V6-4WD

5250	Utility 4D LS	R41	\$27625	4275	4725	7025
5775	Utility 4D SR	R51	34625	4440	5200	7600

ADJUST FOR MILEAGE
SEPTEMBER THRU DECEMBER 2003

MITSUBISHI 71

Trade-In	BODY TYPE	Model No.	M.S.R.P.	Weight	Loan	Retail
1995 PICKUP-4 Cyl.						
2000	Mighty Max	S21	\$10359	2600	1800	3350
MITSUBISHI						
1994 MONTERO 4WD						
4650	Utility 4D LS	R41	\$23975	4175	4200	6150
5100	Utility 4D SR	R51	31475	4440	4600	6650
1994 PICKUP						
1700	Mighty Max	S21	\$9429	2600	1550	2875
2500	Mighty Max Macrocab	S23	10899	2780	2250	3750
3050	Mighty Max (4WD)	T21	14219	3205	2750	4400

MITSUBISHI

1993 MONTERO 4WD

3950	Utility 4D	R31	\$18929	4130	3575	5375
4200	Utility 4D RS	R41	20769	4130	3600	5675
4325	Utility 4D LS	R41	24650	4145	3900	5800
4325	Utility 4D SR	R51	25250	4225	3900	5800

1993 PICKUPS

1525	Mighty Max	S21	\$8539	2580	1375	2675
2225	Mighty Max Macrocab	S23	9909	2765	2025	3450
2675	Mighty Max (4WD)	T21	12979	3190	2425	3950

MITSUBISHI

1992 MONTERO 4WD

3325	Utility 4D	K31	\$17929	4130	3000	4700
3525	Utility 4D RS	K41	19599	4155	3175	4925
3650	Utility 4D LS	K41	23019	4145	3300	5050
3650	Utility 4D SR	K51	22429	4225	3300	5050

1992 PICKUPS

1375	Mighty Max	L24	\$8079	2570	1250	2525
1975	Mighty Max Macrocab	L25	9379	2755	1800	3175
1575	Mighty Max 1 Ton Long Bed	L29	9429	2748	1425	2725
2375	Mighty Max (4WD)	M24	12289	3175	2150	3625

MITSUBISHI

1991 MONTERO 4WD

2475	Utility 4D	J31	\$15489	3924	2250	3725
2650	Utility 4D RS	J41	16669	3957	2400	3825
2750	Utility 4D LS	J41	18799	3924	2475	4025

1991 PICKUPS

1250	Mighty Max	L24	\$7689	2570	1125	2375
1750	Mighty Max Macrocab	L25	8919	2755	1575	2925
1400	Mighty Max 1 Ton Long Bed	L29	8979	2680	1275	2550
2100	Mighty Max (4WD)	M24	11699	3175	1900	3325

MITSUBISHI

1990 MONTERO 4WD

1575	Utility 2D SP	J43	\$13949	3494	1425	2725
1675	Utility 2D Sport	J53	15409	3539	1525	2850
1925	Utility 4D	J41	15519	3924	1750	3125
2075	Utility 4D RS	J51	18139	3924	1875	3300

1990 VAN/WAGON

525	Cargo Van	N23	\$11229	2910	475	1550
1225	Wagon	N44	14929	3307	1125	2350

1990 PICKUPS

1125	Mighty Max	L24	\$7689	2570	1025	2225
1250	Mighty Max 1 Ton Long Bed	L29	8979	2680	1125	2375

DEDUCT FOR RECONDITIONING
SEPTEMBER THRU DECEMBER 2003

EXHIBIT
D

VEHICLE MILEAGE

Mileage can be a very important factor in determining the value of a used vehicle. The effect of high or low mileage will vary according to the class, age and condition of the vehicle.

The mileage chart is intended to assist the subscriber of this guide in value adjustment based on mileage. Mileage adjustments should be made with vehicle condition taken into consideration. Any mileage adjustment made without first considering vehicle condition may result in an inappropriate valuation. In certain situations mileage can be misleading. It is possible for a low mileage vehicle to be in poor condition or a high mileage vehicle to be in very good condition. In these cases, the overall condition of the vehicle should be considered when making an adjustment for vehicle value.

Please see the **High and Low Mileage Table** for N.A.D.A.'s suggested mileage adjustments. If vehicle mileage falls outside of the shaded N.A.D.A. Acceptable Mileage Range (not to be confused with average miles driven per year), then an adjustment may be made to the base guidebook value of the vehicle in question.

As with all vehicle valuations, it is important to consider all variables when establishing a vehicle value.

This guide and mileage table has not been designed to assist in appraising collectible or exotic vehicles. Please refer to the **N.A.D.A. Classic, Collectible, and Special Interest Car Appraisal Guide** for assistance with these vehicles.

MILEAGE TABLE

Low Mileage Table

Percentages shown below to be calculated from trade-in value and added to the guidebook values.

Mileage	1995	1994	1993	1992	1991 and older
0 to 30000	15%	15%	15%	15%	15%
30001 to 60000	10%	10%	10%	10%	10%
60001 to 90000	5%	5%	5%	5%	5%
90001 to 100000	ACCEPTABLE MILEAGE RANGE				

High Mileage Table

Values shown below to be deducted from guidebook values. See vehicle series for mileage classification. **Deduction for High Mileage should not exceed 40% of the trade-in value.**

Mileage	Class	1995	1994	1993	1992	1991 and older
100001 to 115000	I	100				
	II	150				
	III	200				
	IV	250				
115001 to 130000	I	550	250			
	II	775	375			
	III	1025	475			
	IV	1275	600			
130001 to 150000+	I	1025	750	475	175	
	II	1475	1075	675	250	
	III	1950	1425	900	350	
	IV	2400	1750	1100	425	



RealEstateJournal

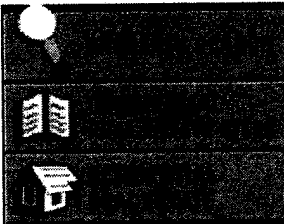
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KEY INTEREST RATES	WEEK ENDED 10/01/2004	WEEK ENDED 09/24/2004
Treasury Bills (90 day)	1.69	1.69
Commercial Paper (finl. 90 day)	1.87	1.84
Commercial Paper (non-finl. 90 day)	1.82	1.78
Certs of Deposit (resale 3 month)	1.96	1.90
Certs of Deposit (resale 6 month)	2.13	2.06
Federal Funds (Overnight)	1.76	1.64
Eurodollars (90 day)	1.93	1.88
Treasury Bills (One Year)	2.20	2.14
Treasury Bills (Two Year)	2.60	2.53
Treasury Bills (Three Year)	2.87	2.81
Treasury Bills (Five Year)	3.35	3.29
Treasury Bills (Ten Year)	4.10	4.04
Treasury Bills (Twenty Year)	4.84	4.80
Treasury Bills (Thirty Year)		

Source: Federal Reserve Board, WSJ.com

PRIME RATE	RATE	EFFECTIVE DATE
The base rate on corporate loans posted by at least 75% of the nation's largest banks.	4.75%	09/22/2004

Source: Prebon Yamane (U.S.A)Inc.

LIBOR	RATE	PERIOD
The London Interbank Offered Rates Rate in the London market based on quotations at 16 major banks. Effective rates for contracts entered into two days from date appearing at top of this column.	1.85813%	One Month
	2.06000%	Three Months
	2.24000%	Six Months
	2.53875%	One Year

Source: Reuters

FREDDIE MAC	RATE

EXHIBIT E

SECURED CLAIM

Principal Interest in Decimal Pmt Freq
4250 0.1075 12

	Balance	Payment	Interest	Principal	New Balance
1	4250.00		0.00	38.07	-38.07
2	4288.07		0.00	38.41	-38.41
3	4326.49		0.00	38.76	-38.76
4	4365.25		0.00	39.11	-39.11
5	4404.35	270.00	39.46	230.54	4173.81
6	4173.81	476.36	37.39	438.97	3734.84
7	3734.84	476.36	33.46	442.90	3291.93
8	3291.93	0.00	29.49	-29.49	3321.42
9	3321.42	0.00	29.75	-29.75	3351.18
10	3351.18	476.36	30.02	446.34	2904.84
11	2904.84	0.00	26.02	-26.02	2930.86
12	2930.86	0.00	26.26	-26.26	2957.12
13	2957.12	0.00	26.49	-26.49	2983.61
14	2983.61	319.50	26.73	292.77	2690.84
15	2690.84	319.50	24.11	295.39	2395.44
16	2395.44	319.50	21.46	298.04	2097.40
17	2097.40	319.50	18.79	300.71	1796.69
18	1796.69	319.50	16.10	303.40	1493.29
19	1493.29	319.50	13.38	306.12	1187.16
20	1187.16	319.50	10.64	308.86	878.30
21	878.30	319.50	7.87	311.63	566.67
22	566.67	319.50	5.08	314.42	252.24
23	252.24	254.50	2.26	252.24	0.00

Totals	Pmts	4829.08		
	Interest		579.08	
	Principal			4250.00

EXHIBIT
F

COSIGNED PORTION

Principal 4629.96 Interest in Decimal 0.08 Pmt Freq 12

	Balance	Payment	Interest	Principal	New Balance	
1	4629.96		0.00	30.87	-30.87	4660.83
2	4660.83		0.00	31.07	-31.07	4691.90
3	4691.90		0.00	31.28	-31.28	4723.18
4	4723.18		0.00	31.49	-31.49	4754.67
5	4754.67		0.00	31.70	-31.70	4786.36
6	4786.36		0.00	31.91	-31.91	4818.27
7	4818.27		0.00	32.12	-32.12	4850.39
8	4850.39		0.00	32.34	-32.34	4882.73
9	4882.73		0.00	32.55	-32.55	4915.28
10	4915.28		0.00	32.77	-32.77	4948.05
11	4948.05		0.00	32.99	-32.99	4981.04
12	4981.04		0.00	33.21	-33.21	5014.24
13	5014.24		0.00	33.43	-33.43	5047.67
14	5047.67		0.00	33.65	-33.65	5081.32
15	5081.32		0.00	33.88	-33.88	5115.20
16	5115.20		0.00	34.10	-34.10	5149.30
17	5149.30		0.00	34.33	-34.33	5183.63
18	5183.63		0.00	34.56	-34.56	5218.19
19	5218.19		0.00	34.79	-34.79	5252.97
20	5252.97		0.00	35.02	-35.02	5287.99
21	5287.99		0.00	35.25	-35.25	5323.25
22	5323.25		0.00	35.49	-35.49	5358.74
23	5358.74	65.00	35.72	29.28		5329.46
24	5329.46	319.50	35.53	283.97		5045.49
25	5045.49	319.50	33.64	285.86		4759.63
26	4759.63	319.50	31.73	287.77		4471.86
27	4471.86	319.50	29.81	289.69		4182.17
28	4182.17	319.50	27.88	291.62		3890.55
29	3890.55	319.50	25.94	293.56		3596.99
30	3596.99	319.50	23.98	295.52		3301.47
31	3301.47	319.50	22.01	297.49		3003.98
32	3003.98	319.50	20.03	299.47		2704.51
33	2704.51	319.50	18.03	301.47		2403.04
34	2403.04	319.50	16.02	303.48		2099.56
35	2099.56	319.50	14.00	305.50		1794.05
36	1794.05	319.50	11.96	307.54		1486.51
37	1486.51	319.50	9.91	309.59		1176.92
38	1176.92	319.50	7.85	311.65		865.27
39	865.27	319.50	5.77	313.73		551.54
40	551.54	319.50	3.68	315.82		235.71
41	235.71	237.29	1.57	235.72		-0.00

Totals	Pmts	5733.79		
	Interest		1103.83	
	Principal			4629.96

03-05598-0

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Chris John Fandel
and Tammy Louise Fandel,
Debtors,

Case No. 03-61367

Chapter 13 Case

VERIFICATION FOR CONFIRMATION OBJECTION

I, Kathy Formanek, the Designated Agent for Great River Federal Credit Union FKA St Cloud T & L Credit Union, the Creditor herein, declare under penalty of perjury that the following is true and correct according to the best of my knowledge, information and belief, and based on the Creditor's business records:

1. I am legally competent to testify and am personally familiar with the debt owed by Debtor to the Creditor on account nos. 25979-1, 25979-LOC.
2. The Debtor owes the Creditor on the accounts as follows:

ACCOUNT NO.	CURRENT PAYOFF	LAST PMT DATE	LAST PMT AMT
25979-1	\$ 6,678.13	8-30-04	\$ 476.36
25979-LOC	\$ 1,073.31	10-15-03	\$ 50.00

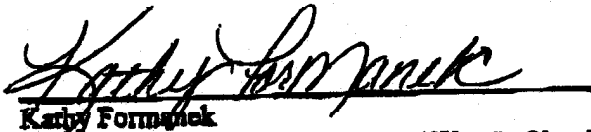
as of today's date. Claims for each account have been filed.

3. The debt owed to the Creditor is secured by a perfected lien on a 1993 Mercury Villager vehicle.
4. The original confirmed plan and the post-confirmation modified plan both set a secured claim value of \$8,045.00 and included a provision that the 25979-1 account be paid in full to protect the co-signer and also to cover the collateral value.
5. Creditor has received a total of \$1699.08 from the Trustee since this case was filed. According to the first confirmed plan, Creditor should have received 6 payments of \$458.45 for a total of \$2750.70 through October 2004. Under the post-confirmation modified plan filed in June

2004, only 2 payments were to be skipped so that Creditor should have received \$1833.80.

6. Robert Champa is a cosigner on the 25979-1 account and is jointly liable for the debt.
7. True and correct copies of the title documents are attached to the Motion as Exhibit "A". True and correct copies of the loan documents are attached as Exhibit "B".

Dated: 10-8-2004



Kathy Formanek
Great River Federal Credit Union FKA St Cloud T & L Credit Union
1532 West St. Germain Street
PO Box 1208
Saint Cloud, MN 56302-1208

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 03-61367

Chris John Fandel
and Tammy Louise Fandel,
Debtors,

Chapter 13 Case

UNSWORN DECLARATION OF PROOF OF SERVICE

I, Linda Jeanne Jungers, declare under penalty of perjury that on October 11, 2004, I mailed copies of the foregoing Objection to Confirmation of Plan, Memorandum, Verification and Exhibits attached thereto, Unsworn Declaration of Proof of Service, and proposed Order, by first class mail, postage prepaid, to each entity named below at the address stated below for each entity.

Chris John Fandel
1414 9th Ave North
Sartell, MN 56377

Tammy Louise Fandel
1414 9th Ave North
Sartell, MN 56377

Wesley W. Scott
SCHMIDT & LUND
13 S 7th Ave
Saint Cloud, MN 56301

Michael J Farrell
Bankruptcy Trustee
PO Box 519
Barnesville, MN 56514

U.S. Trustee
1015 U.S. Courthouse
300 South 4th Street
Minneapolis, MN 55415

Executed on: October 11, 2004

Signed: /s/Linda Jeanne Jungers
Linda Jeanne Jungers
STEWART, ZLIMEN & JUNGERS
430 Oak Grove Street, #200
Minneapolis, MN 55403

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Case No. 03-61367

Chris John Fandel
and Tammy Louise Fandel,

Chapter 13 Case

Debtors,

**ORDER DENYING CONFIRMATION OF CHAPTER 13 PLAN
AND DISMISSING CASE FOR CAUSE**

This Chapter 13 case came on before the Court on October 26, 2004 at 10:00 AM, for hearing on confirmation of a proposed Plan of individual debt adjustment. Linda Jeanne Jungers appeared on behalf of Great River Federal Credit Union FKA St Cloud T & L CreditUnion. Other appearances were as noted in the record. Upon the record made at the hearing, and the other files, records, and proceedings in this case,

IT IS HEREBY ORDERED:

1. Confirmation of Debtor's Plan filed October 7, 2004 is denied.
2. Trustee is ordered to disburse all remaining funds on hand in accordance with the last confirmed plan.
3. This case is dismissed, for cause.
4. The Debtors are barred from filing another case under Chapter 13 for a period of 180 days from the date of this order.
5. Respondent is allowed its attorneys fees in the amount of \$250.00, such amount to be added to Respondent's cosigned claim amount and paid as part of such claim.

Dated:

BY THE COURT:

United States Bankruptcy Judge